



## 93RD GENERAL ASSEMBLY

### State of Illinois

#### 2003 and 2004

Introduced 02/09/04, by William B. Black - Sidney H. Mathias

#### SYNOPSIS AS INTRODUCED:

305 ILCS 5/9A-11

from Ch. 23, par. 9A-11

Amends the Illinois Public Aid Code. Provides that the Department of Human Services shall (i) conduct an annual market rate survey based on the cost of child care and other relevant factors and (ii) increase the reimbursement rate paid to providers of child care services under the TANF program to not less than 70% of the market rate as determined by the survey. Deletes a provision for a similar survey to be completed by July 1, 1998. Effective immediately.

LRB093 19524 DRJ 45264 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning public aid.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Public Aid Code is amended by  
5 changing Section 9A-11 as follows:

6

7 (305 ILCS 5/9A-11) (from Ch. 23, par. 9A-11)

8 Sec. 9A-11. Child Care.

9 (a) The General Assembly recognizes that families with  
10 children need child care in order to work. Child care is  
11 expensive and families with low incomes, including those who  
12 are transitioning from welfare to work, often struggle to pay  
13 the costs of day care. The General Assembly understands the  
14 importance of helping low income working families become and  
15 remain self-sufficient. The General Assembly also believes  
16 that it is the responsibility of families to share in the costs  
17 of child care. It is also the preference of the General  
18 Assembly that all working poor families should be treated  
19 equally, regardless of their welfare status.

20 (b) To the extent resources permit, the Illinois Department  
21 shall provide child care services to parents or other relatives  
22 as defined by rule who are working or participating in  
23 employment or Department approved education or training  
24 programs. At a minimum, the Illinois Department shall cover the  
25 following categories of families:

26 (1) recipients of TANF under Article IV participating  
27 in work and training activities as specified in the  
28 personal plan for employment and self-sufficiency;

29 (2) families transitioning from TANF to work;

30 (3) families at risk of becoming recipients of TANF;

31 (4) families with special needs as defined by rule; and

32 (5) working families with very low incomes as defined

1 by rule.

2 The Department shall specify by rule the conditions of  
3 eligibility, the application process, and the types, amounts,  
4 and duration of services. Eligibility for child care benefits  
5 and the amount of child care provided may vary based on family  
6 size, income, and other factors as specified by rule.

7 In determining income eligibility for child care benefits,  
8 the Department annually, at the beginning of each fiscal year,  
9 shall establish, by rule, one income threshold for each family  
10 size, in relation to percentage of State median income for a  
11 family of that size, that makes families with incomes below the  
12 specified threshold eligible for assistance and families with  
13 incomes above the specified threshold ineligible for  
14 assistance. The specified threshold must be no less than 50% of  
15 the then-current State median income for each family size.

16 In determining eligibility for assistance, the Department  
17 shall not give preference to any category of recipients or give  
18 preference to individuals based on their receipt of benefits  
19 under this Code.

20 The Department shall allocate \$7,500,000 annually for a  
21 test program for families who are income-eligible for child  
22 care assistance, who are not recipients of TANF under Article  
23 IV, and who need child care assistance to participate in  
24 education and training activities. The Department shall  
25 specify by rule the conditions of eligibility for this test  
26 program.

27 Nothing in this Section shall be construed as conferring  
28 entitlement status to eligible families.

29 The Illinois Department is authorized to lower income  
30 eligibility ceilings, raise parent co-payments, create waiting  
31 lists, or take such other actions during a fiscal year as are  
32 necessary to ensure that child care benefits paid under this  
33 Article do not exceed the amounts appropriated for those child  
34 care benefits. These changes may be accomplished by emergency  
35 rule under Section 5-45 of the Illinois Administrative  
36 Procedure Act, except that the limitation on the number of

1 emergency rules that may be adopted in a 24-month period shall  
2 not apply.

3 The Illinois Department may contract with other State  
4 agencies or child care organizations for the administration of  
5 child care services.

6 (c) Payment shall be made for child care that otherwise  
7 meets the requirements of this Section and applicable standards  
8 of State and local law and regulation, including any  
9 requirements the Illinois Department promulgates by rule in  
10 addition to the licensure requirements promulgated by the  
11 Department of Children and Family Services and Fire Prevention  
12 and Safety requirements promulgated by the Office of the State  
13 Fire Marshal and is provided in any of the following:

14 (1) a child care center which is licensed or exempt  
15 from licensure pursuant to Section 2.09 of the Child Care  
16 Act of 1969;

17 (2) a licensed child care home or home exempt from  
18 licensing;

19 (3) a licensed group child care home;

20 (4) other types of child care, including child care  
21 provided by relatives or persons living in the same home as  
22 the child, as determined by the Illinois Department by  
23 rule.

24 (d) The Illinois Department shall, by rule, require  
25 co-payments for child care services by any parent, including  
26 parents whose only income is from assistance under this Code.  
27 The co-payment shall be assessed based on a sliding scale based  
28 on family income, family size, and the number of children in  
29 care. Co-payments shall not be increased due solely to a change  
30 in the methodology for counting family income.

31 (e) The Illinois Department shall conduct an annual a  
32 market rate survey based on the cost of child care and other  
33 relevant factors. The Department shall increase the  
34 reimbursement rate paid to providers of child care services  
35 under this Section to not less than 70% of the market rate as  
36 determined by the survey ~~which shall be completed by July 1,~~

1 ~~1998.~~

2 (f) The Illinois Department shall, by rule, set rates to be  
3 paid for the various types of child care. Child care may be  
4 provided through one of the following methods:

5 (1) arranging the child care through eligible  
6 providers by use of purchase of service contracts or  
7 vouchers;

8 (2) arranging with other agencies and community  
9 volunteer groups for non-reimbursed child care;

10 (3) (blank); or

11 (4) adopting such other arrangements as the Department  
12 determines appropriate.

13 (g) Families eligible for assistance under this Section  
14 shall be given the following options:

15 (1) receiving a child care certificate issued by the  
16 Department or a subcontractor of the Department that may be  
17 used by the parents as payment for child care and  
18 development services only; or

19 (2) if space is available, enrolling the child with a  
20 child care provider that has a purchase of service contract  
21 with the Department or a subcontractor of the Department  
22 for the provision of child care and development services.  
23 The Department may identify particular priority  
24 populations for whom they may request special  
25 consideration by a provider with purchase of service  
26 contracts, provided that the providers shall be permitted  
27 to maintain a balance of clients in terms of household  
28 incomes and families and children with special needs, as  
29 defined by rule.

30 (Source: P.A. 93-361, eff. 9-1-03.)

31 Section 99. Effective date. This Act takes effect upon  
32 becoming law.